

SENATE—Friday, September 8, 2000

The Senate met at 10 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious Father, in whose presence the dark night of the soul of worry is dispelled by the dawn of Your love, we thank You for helping us overcome our worries. You have taught us that worry is like interest paid on difficulties before it comes due. It's rust on the blade that dulls our capacity to cut through trouble and lance the infection of anxiety. Your Word is true: Worry changes nothing but the worrier and that change is never positive. Worry is impotent to change tomorrow or redo the past. All it does is tap our strength. We confess that we fear the problems and perplexities that we may have to face alone. Our worry is really loneliness for You, Dear God. In this moment of prayer we surrender all our worries to You and thank You for Your triumphant promise: "Do not be afraid—I will help you. I have called you by name—you are Mine. When you pass through the deep waters, I will be with you; your troubles will not overwhelm you."—Isaiah 43:1-2 Contemporary translation. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JUDD GREGG, a Senator from the State of New Hampshire, led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able Senator from New Hampshire is recognized.

SCHEDULE

Mr. GREGG. Mr. President, today the Senate will resume debate on the China PNTR legislation. Amendments are expected to be offered throughout the day. Any votes ordered with respect to those amendments will be scheduled to occur on Monday or Tuesday of next week.

If significant progress can be made during today's session, votes will be postponed to occur on Tuesday morning. Therefore, those Senators who have amendments are encouraged to come to the floor during today's ses-

sion. It is hoped the Senate can complete action on this important trade bill as early as Wednesday of next week.

On behalf of the leader, I thank my colleagues for their attention.

The PRESIDING OFFICER (Mr. GORTON). The Senator from Massachusetts is recognized.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, leadership time is reserved.

MEDICARE PRESCRIPTION DRUG COVERAGE

Mr. KENNEDY. Mr. President, senior citizens need a drug benefit under Medicare. They've earned it by a lifetime of hard work, and they deserve it. It is time for Congress to enact it. The clock is running out on this Congress, but it is not too late for the House and Senate to act.

AL GORE and George Bush have proposed vastly different responses to this challenge. The Gore plan provides a solid benefit under existing Medicare. The Bush plan, by contrast, cannot pass the truth in labeling test. His plan is not Medicare—and it is not adequate. It is too little, too late. It puts senior citizens needing prescription drug coverage at the mercy of unreliable HMOs.

And it is part of a proposal to privatize Medicare that will raise premiums and force the most vulnerable elderly to give up their family physicians and join HMOs.

Senior citizens need help now. AL GORE'S PLAN PROVIDES PRESCRIPTION DRUG COVERAGE UNDER MEDICARE FOR EVERY SENIOR CITIZEN IN 2002—THE EARLIEST DATE SUCH A PROGRAM COULD REALISTICALLY BE IMPLEMENTED.

Under the Bush plan, there is no Medicare coverage of prescription drugs for four years. Instead, Governor Bush proposes a block grant to states for low-income seniors only. Less than one-third of seniors would even be eligible. Only a minority of those who are eligible would participate. Senior citizens want Medicare, not welfare. AL GORE's plan recognizes that. George Bush's plan does not.

On this chart, we see the differences between the two programs. This effectively, in under Vice President GORE, would go to the year 2002—a little over a year from where we are now. Under the Bush program, effectively it will go in 4 years after enactment. It would be a block grant that would go to the

States to deal with those neediest among our poor. But it would effectively leave out 29 million Medicare recipients.

Under the Gore program, you have guaranteed benefits. What does "guaranteed benefits" mean? That means a senior goes into a doctor's office. The doctor says that you need XYZ drug. They could prescribe it, and the individual patient is going to be assured of it.

Under the Bush program, under the HMO, which particular prescription drugs are going to be included? Just like it is under the HMO, to make a decision on what the premium is going to be, what the copayment is going to be, and what the deductible is going to be. There isn't a person today, including Governor Bush, who can tell what the benefit package would be for a senior under his program. They couldn't tell what the deductible, what the premium or what the copay would be. Under the Gore program, they could; and it is basically under the Medicare system.

When Governor Bush says it is an "immediate helping hand," that really can't pass the truth-in-labeling test. The claim is that it would help. The truth is, it is too little for too few.

Seventy percent of the Medicare beneficiaries—more than 27 million—would not be eligible for the block grant program.

Effectively what we are saying is that under the program, 27 million will not be eligible under the block grant program. Even fewer would participate. Less than 20 percent of the eligible low-income seniors currently participate in the State-run Medicare premium assistance program, which is known as SLMB. That is where the States are basically helping and assisting through Medicare to offset the premiums for the lowest income. The States have shown a remarkable lack of interest in protecting the low-income seniors, and it is very little too late. They will do much better with regard to this program. This is a matter of very considerable concern.

Again, the challenge is this "immediate helping hand." We also say this can't pass the truth-in-labeling test. All 50 States must pass enabling or modifying legislation. We are going to have a different benefit package in each of the States under this particular program. Only 16 States currently have any drug insurance program at the existing time.

If you look at the CHIP experience, which was enacted in August of 1997, when the funding was already available to any of the States that went ahead

and passed the law, it still took over 2 years for Texas to implement the CHIP program. We haven't even gotten the block grant money. It will have to be approved by the Congress in the future.

As Governor Bush has pointed out, many States don't have the legislation. They meet biannually, and this will require enabling legislation in the States. Beyond that, the Governors have already rejected the block grant program. The Governors rejected the State block grant program. They did so in February of this year.

If Congress decides to expand the prescription drug coverage for seniors, it should not shift that responsibility, or its costs, to the States.

That is exactly what this program does. Here are the Governors, in a bipartisan way, indicating that they didn't want to take the new administration on and the bureaucracy of trying to administer this program. They didn't want the responsibility, and they didn't want to have to put out any of the costs as well. It is a very clear indication that the Governors are not interested in this program, to have it implemented with regard to the States. The Gore plan provides the guaranteed benefits. The Bush plan leaves the benefits and premiums up to the HMOs.

We are out on the floor of the Senate trying to get a Patients' Bill of Rights up to try to make sure the HMOs are going to be responsive to the health care needs of our people in this country and do what is necessary for them as identified by the doctors and trained professionals. Here we are having a whole new program that is going to be effectively administered by the HMOs.

Under the Gore plan, there is no deductible. The Government pays for 50 percent, up to \$2,000, and rising to \$5,000. Premiums are limited to the cost of the services—not the profits of the HMOs. The Government and beneficiaries each pay half of the premium. There is a \$4,000 limit on the out-of-pocket costs.

It seems to me we have this dramatic difference in these approaches between the two programs. Under the Gore proposal, this will be a prompt help for senior citizens, just 1 year after enactment; under Governor Bush's proposal, it will take 4 years after enactment to be put in place in the 50 different States, it will rely upon the HMOs, and it will take care of less than a third of the needs of our senior citizens.

We have a guaranteed benefit program. They have no guaranteed benefit program. We will not hear any Republican able to identify what prescription drugs are going to be guaranteed to the seniors of this country. Under the Gore proposal, whatever the doctor says is going to be necessary will be guaranteed. We have guaranteed access to the needed drugs. The doctor decides.

Mr. President, I think there is a dramatic contrast and difference.

Look at the cost under the different proposals. We find with a 25-percent premium payment under the Medicare actuaries, they have indicated there will be a rise in the premiums anywhere from 35 to 45 percent. It was because of those findings, which have been substantiated by the Senate Finance Committee, that the basic Gore program has indicated there has to be a support of at least 50 percent of the premium in order to make sure it will be universal. It is voluntary. But with this kind of a 50-percent premium offset, the best estimate is, according to the Senate Finance Committee hearings, there will be virtually a universal appeal for that. With 25 percent of premium, according to the Finance Committee hearings, they believe the increase in the cost of the premiums will rise from 35 to 45 percent.

In conclusion, we have the Federal budget commitment of \$253 billion under Vice President GORE; it is \$158 billion under Governor Bush. The Federal contribution to beneficiary premiums is 50 percent under Vice President GORE; under Bush, it is 25 percent.

I say to the editorial writers, read the Senate Finance Committee and the House Ways and Means Committee. Find out, in the questions and answers at those hearings, whether anyone believes with a 25-percent offset in premium—without knowing what the premium is going to be, because the premium is going to be established by the HMO—whether the overall costs in terms of prescription drugs is not going to increase anywhere from 35 to 42 percent. The proportion of our seniors participating in the drug coverage is virtually 100 percent; in the Bush program, less than half.

I think it is important to have an understanding of what is before the Congress in the Senate. We still have time to take action. We are interested in taking action. We ought to be able to develop a bipartisan effort to try to deal with the principal concerns of our senior citizens. We all know that if Medicare were being passed today rather than in 1965, a prescription drug benefit would be included. The guarantee in 1965 to our senior citizens was: Work hard, contribute into the Medicare system, and your health care needs will be attended to. We are not attending to the needs of our senior citizens. Every day that goes by without a prescription drug benefit, we are violating that commitment to our senior citizens, and that is wrong.

We have in the last 4½ weeks the opportunity to take meaningful steps to address that critical need for our senior citizens. We should not fail them. That is what I think is a fundamental responsibility we have in the Senate.

More than 900,000 senior citizens lost their Medicare under HMOs this year. Yes, 900,000 senior citizen lost their Medicare HMO coverage this year. Yet

that is going to be the pillars on which this program is going to be built after 4 years; 934,000 Medicare beneficiaries lost their HMO coverage this year. Approximately 30 percent of beneficiaries live in areas with no HMOs.

In vast areas of the country, there are virtually no HMOs at all. We have seen them leaving in droves, including the States of Connecticut and my own State of Massachusetts. It has been true in the State of Maryland. There is one HMO left in the State of Maryland. Now we have 30 percent of all beneficiaries living in areas with no HMOs.

Private insurance premiums will increase 10 to 30 percent this year. This is the principal concern. In the first 4 years, 29 million senior citizen otherwise eligible under Medicare will not be able to participate in the Bush program. After that, it will be built upon the HMOs without a defined benefit package, without any indication of what the premiums, copays, or deductibles are going to be.

The alternative is a very impressive and significant downpayment in the commitment of this country to building on Medicare. I know there are many—and probably most—who are opposed to building on Medicare, who are against the Medicare system in any event. One doesn't have to be a rocket scientist to understand that. But we believe the Medicare system has worked and is working. It has to be strengthened, it has to be improved. There are many features in terms of health care that it doesn't cover. It don't cover the eye care, dental care, or foot care that it should. It doesn't do the prescription drug coverage, which is life and death. That is the major opening.

We find under the Bush plan the benefits provided are guaranteed to not be adequate. The Bush program allocates \$100 billion less to prescription drug coverage than the Gore plan over 10 years. The reason for this large gap is obvious. The Bush approach allocates too much of the surplus to tax breaks for the wealthy, and too little is left to help our senior citizens.

Under the Bush plan, the Government contributes 25 percent of the cost of prescription drug premiums—half as much as under the Gore program. In the entire history of Medicare, citizens have never been asked to pay such a high proportion of the cost of any benefit. They have never been asked to pay such a high proportion of the cost of any benefit. The nonpartisan Congressional Budget Office has estimated under the similar Republican plan passed by the House of Representatives, benefits would be so inadequate, costs so high, that more than half of the senior citizens who need help the most will not be able to participate. Any prescription drug benefit that leaves out more than 6 million of our senior citizens who need the protection

the most is not a serious plan to help senior citizens.

Perhaps the worst aspect of the Bush plan is that it makes prescription drugs available to senior citizens only if they also accept the extreme changes in Medicare that would dramatically raise premiums for their doctors and hospital bills and coerce the most vulnerable seniors to join HMOs. That is not the kind of Medicare coverage and it is not the kind of prescription drug benefit the American people want.

Under Bush's vision of Medicare reform, the premiums paid by senior citizens for conventional Medicare could increase by as much as 47 percent in the first year and continue to grow over time, according to the non-partisan Medicare actuaries. The elderly would face an unacceptable choice between premiums they can afford and giving up their family doctor by joining an HMO.

Senior citizens already have the right to choose between conventional Medicare and private insurance that offers additional benefits. The difference between what seniors have today and what George W. Bush is proposing is not the difference between choice and bureaucracy, it is the difference between choice and coercion, driven by the right-wing Republican agenda to undermine Medicare by privatizing it. On this ground alone it deserves rejection. We don't have to destroy Medicare in order to save it.

There is still time this year for Congress to enact a genuine prescription drug benefit under Medicare. AL GORE and the administration have presented a strong proposal. Let's work together to enact it. The American people are waiting for our answer.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

MEASURE PLACED ON THE CALENDAR—S. 3021

Mr. GREGG. Mr. President, let me begin by stating I understand there is a bill at the desk due for its second reading.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill to provide that a certification of the cooperation of Mexico with United States counterdrug efforts not be required for fiscal year 2001 for the limitation on assistance for Mexico under section 490 of the Foreign Assistance Act of 1961 not to go into effect in that fiscal year.

Mr. GREGG. I object to further proceedings on this bill at this time.

The PRESIDING OFFICER. The bill will be placed on the calendar.

HEALTH CARE

Mr. GREGG. Mr. President, ironically, I came to the floor to talk about

some of Vice President GORE's proposals, specifically in the areas he is spending money. The fact he has created this Pyrrhic lockbox—not Pyrrhic, this mystical lockbox he is claiming for the extra surplus which has been identified under the new budget estimates, which is mystical because he has already spent the entire surplus plus whatever would occur as a result of the increased estimates on the surplus. In fact, according to the Budget Committee, he spent under the high estimate almost \$1 trillion more than the surplus. As a result, he is significantly invading the Social Security accounts.

But having listened to the Senator from Massachusetts, I do not believe his words can go unanswered because he has, first, made a number of statements which are inaccurate about Governor Bush's proposals on the drug plans for seniors and, second, I think he has put forward the basic premise of the debate between the two parties on the issues that should be answered. Let's begin there before I go to the specifics of the areas of his presentation, which were unfortunately numerous as they related to Governor Bush's positions. The difference here is fairly simple between the two approaches.

What was very distinctly stated by the Senator from Massachusetts is that they want to create—they use the term "universal," but a 100-percent program in the drug benefit area, which is totally managed by the Federal Government—100 percent. Vice President GORE wants to do for prescription drugs what Hillary Clinton wanted to do for health care generally. He wants to take "Hillary Care," which is essentially a nationalization of health care, and apply it to the prescription drug program.

There are a lot of problems with nationalizing the prescription drug program, with having the Federal Government take over the senior citizens' ability to buy drugs. I think most seniors understand that having the Federal Government tell them what they are going to be able to buy in drugs, exactly what type of drug program they are going to have—and it will be one size fits all for this entire country—I think most seniors have an inherent understanding, as most Americans have an inherent understanding, that that program has some significant flaws.

One of the reasons this Congress and the American people so enthusiastically rejected "Hillary Care" is that people intuitively understand that taking a program and turning it over to the Federal Government to operate, specifically when that program is critical to one's well-being, as is health care, is putting at risk one's health care, by definition.

So the Gore plan is essentially a nationalization plan. The term is used "universal, 100 percent." That means

the Government runs it all. Well, 68 percent of the seniors in this country today already have a drug benefit. Many of them are fairly happy that they are able to go out and purchase a drug benefit that is tailored to what they need. There are, obviously, a lot of seniors in this country who need assistance in purchasing that drug benefit. There are a lot of seniors in this country today who do not have adequate coverage in drug benefits. The concerns of those seniors need to be addressed. But we don't address them by taking all the other senior citizens of this country who have set up their own systems—and most of them come as a result of their employer continuing to cover their drug benefit as a result of their retirement—and saying to them: No longer can you participate in your employer plan, no longer can you participate in a plan which you chose which covers the needs which you and your family have. No. Now you must participate in a plan designed by Vice President GORE and a group of bureaucrats here in Washington under the guidance of the Senator from Massachusetts, and you either participate in that plan or you get nothing. When you participate in that plan, you don't get options. You have to do exactly what the Federal Government says. That can be a nightmare. That can be a nightmare, as we all know.

That is the fundamental difference. What Governor Bush has put forth is a proposal which will address the needs of seniors who do not presently have adequate prescription drug coverage and will address it in a way that allows seniors to have choices. It allows them to tailor their health care plans to what they need, not to what somebody here in Washington thinks they need. That is the difference of opinion here. There is the Washington mindset which says we in Washington actually know better than you do, John Jones out in Iowa, what you need to buy for your prescription drug benefits. It is this arrogance, this elitism that just permeates Washington and which was so precisely stated in the "Hillary Care" package and which is now just being repackaged with new words—"universal, 100 percent"—under the Gore drug plan.

Governor Bush has put forward a very thoughtful, very aggressive proposal in the area of prescription drugs that does address the needs of seniors who cannot afford those programs and seniors who need assistance in those programs. It was, regrettably, misinterpreted by the Senator from Massachusetts. To begin with, it doesn't start 4 years from now. It actually begins much sooner and potentially 2 years sooner than the Gore plan. The Gore plan does not go into effect until 1 year after the date of enactment, which means we are probably looking—should we have the fate of having the